



Foreign Affairs Handbook

6 FAH-5 – ICASS Handbook

Transmittal Letter: ICASS-2

Date: April 1, 1998

VOLUME REISSUANCE

MAJOR CHANGES

1. This issuance completes the official move from FAAS to its replacement, ICASS. Treat this as totally new material.
2. Chapter H-900, ICASS Budget And Cost Distribution System, is in preparation and will be issued later.
3. Officers are reminded that Department-issued materials not codified in the *Foreign Affairs Manual* or its supplemental *Foreign Affairs Handbook* series generally have no regulatory validity (see 2 FAM 1115.2).

THE ICASS CHANGEOVER

ICASS is a better way to deliver administrative services for each mission.

Replacing the FAAS system, which required agencies to pay for services at posts abroad from the State Department with little control over costs and quality of service, ICASS establishes locally empowered Councils representing all agencies at post to manage and evaluate all shared administrative services. Posts now manage the funding of local costs. Local managers retain savings as an incentive to develop cost savings initiatives. Focusing on the needs of the customer, the Councils have clear cost reports to evaluate service alternatives (through comparison shopping) and share responsibility with the service provider for the most cost efficient and effective provision of interagency administrative service. The serviced agencies also, for the first time, have input into the evaluation of service providers.

STICKER SHOCK. WHY? With our new system, agencies generally will find the cost of their presence at the mission has increased significantly compared to their FAAS bill, due to the inclusion of Washington, D.C. headquarters costs (previously paid under FAAS but added in Washington, D.C.), the elimination of the CORE/DAS distinction, and particularly, the

addition of other costs, heretofore funded solely by the State Department, i.e., CLO, Building Operating Expenses, and non-residential local guard force.

While the State Department covered increased costs beyond FAAS for agencies in FY 97, individual agencies funded the increased costs for ICASS for FY 98 using a base transfer from the State Department. Although individual agency costs increased in FY 98, ICASS is, basically, a redistribution of existing costs. The total cost to the U.S. Government should not increase. We anticipate that costs will actually decline as efficiencies are realized. For the first time, all costs associated with mission operations are transparent so that posts can better see the cost of providing a service and can be confident those costs are being allocated more equitably.

FILING INSTRUCTIONS

1. Remove and destroy the text of the old 6 FAH-5, including all exhibits (issued under TL:ICASS-1, dated 12-6-1996; 196 pages total) and replace it with the attached revised *ICASS Handbook* (295 pages total).
2. The original transmittal letter checklist may be discarded, as a replacement checklist, with the ICASS-1 entry filled out, is included.
3. For those who maintain a hard copy of this volume, after inserting the material in the binder, insert this transmittal letter immediately following the TL Checklist, find the entry line for TL:ICASS-2, and initial.

DISTRIBUTION NOTICE

1. The *Foreign Affairs Handbooks* (unclassified) are issued primarily in CD-ROM format. For information on this program, including information regarding public inquiries, contact the INFOEXPRESS Coordinator, A/RPS/MMS/CB, directly. The Coordinator is located in Room 1659 NS, 202-736-4881, FAX 202-736-4924. E-Mail via DOSNET: INFOEXPRESS.

2. All posts and offices keeping paper versions of *Foreign Affairs Handbooks* are responsible for maintaining their FAHs on a current basis (see 2 FAM 1116.5), and for ensuring that all copies (including binders) are either retained or returned to A/RPS/DIR if no longer needed. **When returning excess or unused materials include your office/post symbols and inform A/RPS/MMS/PB and your message center if you need to have your distribution reduced** (this generally applies only to time-sensitive paper issuances). A/RPS/MMS/PB, Room 1853, 202-736-7470, FAX 202-647-4535, handles all requests for paper copies, including non-Government users (include either fiscal information or payment with request, as appropriate).

3. Use KFAM and AINF TAGS on **all** communications on FAM/FAH issues; direct questions concerning issuance, validity, and updating to A/RPS/DIR. Direct questions concerning substance and interpretations to the office indicated at the end of this transmittal letter.

(FMP/ICASS)